

In re Adolfo DE CESPEDES, Debtor

No. 96-10215-BKC-AJC

(Cite as: 241 B.R. 260)

In construing § 552(b)(2), the Court held that the Small Business Administration did have a valid security interest in post-petition rents, even though its interest was not properly perfected under state law. Under § 552(b)(2), the bankruptcy courts no longer look to state law to see if a creditor has properly perfected its security in rent proceeds prior to the filing of the bankruptcy.